

**Milton Town Council Meeting
Milton Library, 121 Union Street
Monday, August 2, 2010, 6:30 p.m.**

Mayor Newlands opened the Public Participation portion of the Town Council Meeting at 6:30 p.m.

- a. The Edge Academy – Michael Chamberlain. My wife, Jamie is sitting in the back. She wouldn't walk up with me, I guess. We own a marshal arts school, which is opening in a couple of weeks, when all the paperwork is finalized and I wanted to let you folks know that we're here providing programs for children and adults; I'm also a law enforcement trainer. We'll be offering our local Police Department some free training to hopefully expand on existing skills; and learn new skills, as well; and I guess, of course, serve our community. We're right here on Union Street; we'll be opening in a week or two, hopefully; and I wanted to say hi to all of you tonight. You'll see me around town. I live on Walnut Street and look forward to bringing marshal arts and goal setting programs to our youth here in town, and of course, our adult population. Look forward to it very soon.

Mayor Newlands: Thank you and welcome.

- b. Lynn Ekelund, 406 Union Street: I'm here to talk about Tidewater. Three weeks ago I spoke to Council and the Mayor and asked for a status report on Tidewater and thank you very much for accommodating me with that and the rest of the town. I don't know who's here from Tidewater, but our practice is the public is not allowed to ask questions during your presentation; and while I'm certain that Council is going to ask a number of really good questions; I would like to ask just a couple that I'm interested in the hope that you address them during your presentation. It's been 3-1/2 years since the contract was signed and we're still working out of the sewer plant that we were working out of before it was privatized. In February of 2007, Mr. Esposito said at a Town Council Meeting that we would need an additional 1,500 customers before it would be economically feasible and that is also addressed, not the number 1,500, but in the contract. And a question I have is how many customers have you accumulated above and beyond the 1,144 you had in February, 2007? I also understand that at least as of 3 weeks ago you had not taken title to the 18 acres on Sam Lucas Road.

Mayor Newlands: Let me just interrupt one second; that's not their issue right now. They haven't taken title because of another problem on the other side. He may not be addressing that tonight.

Lynn Ekelund: I'm just saying that's my understanding. I think he can answer this; since you haven't taken title to the 18 acres; have you given us the \$1.5 million for taking title to the acres? Which leads me into the contract stated that we were to receive, when all was said and done, \$6.4 million and I think it was, and I have the contract here, \$2.5 million at the end of the due diligence period; which was 4 months. What is the balance of the \$6.4 million from the time the contract was signed until now? And my last question is when we, the Town owned the plant; we were discharging to the river. Obviously you're still discharging to the river, because

you are using that plant. Do you have any sort of a feel for when you might be starting a new plant, which would get us out of the river? Also, how much time is there left on an existing permit with the State before you can not discharge to the river? Thank you.

Mayor Newlands: Thank you.

- c. Virginia Weeks, 119 Clifton Street: Good evening. I notice tonight that you're going to have a discussion and possible vote on the modification of the design build of sidewalk and driveway intersections within Wagamons West Shore development. Do they have to by law meet the ADA Standards?

Mayor Newlands: Not by town code, no.

Virginia Weeks: But by Federal law they have to.

Mayor Newlands: Federal Code, yes.

Virginia Weeks: I'm just wondering...

Mayor Newlands: I'm going to have to recuse any more comments on this. I live in Wagamon's so I can't make any comments.

Virginia Weeks: I'll just tell you what I'm wondering. My rumor mill tells me, and you know how rumors are in this town, that the proposed budget you're working on has quite a hefty deficit at this point. When I see that we're looking at discussion and possible vote and modification on the design build, I don't understand how it works. We have not received title to those sidewalks, have we?

Mayor Newlands: No we haven't.

Seth Thompson: Not at this point.

Virginia Weeks: But our Engineers are doing the engineering and looking at it and saying this is wrong and that's wrong. I don't understand why we're spending that money; because I know that the engineers are expensive.

Mayor Newlands: That gets charged back to the developer.

Virginia Weeks: The developer's paying that, great. And then I see that there's a lot of paving going on in Wagamon's now, which is great for you guys, because God knows I have some friends in there and it is dastardly driving there. Has a commitment been made from the developer that as construction goes on and that final paving gets damaged, he will repair it, at his cost?

Mayor Newlands: I think there's a one year guarantee on the paving, right now, what we expect; and then any builder coming in there will have to fix any damages they make to curbing, sidewalks or the roads.

Virginia Weeks: That's written somewhere in the contracts; I have no idea, I'm asking.

Mayor Newlands: I think that's in general, any builder coming in will have to repair anything they break within town.

Virginia Weeks: Thank you.

Mayor Newlands: Thank you.

- d. Georgia Dalzell, Milton Chamber of Commerce: Good evening. I'm taking this opportunity to remind everyone that the Chamber is presenting another festival this month. This is a much lighter note then the other business; but at the end of the month on the 28th we have Bargains on the Broadkill; the Great Duck Race and the 10

Mile Kayak Race, which is sponsored by the Milton Theater. So there will be lots of activities in Town at the end of the month and I just wanted to get it on the record in August so we can expect everyone to be there. Thanks.

Mayor Newlands: Thank you. We're going to close the Public Participation at 6:38 p.m.

1. Call to Order: Mayor Newlands called the Town Council Meeting to order at 6:38 p.m.
2. Moment of Silence: Vice Mayor Betts
3. Pledge of Allegiance
4. Roll Call

C Abraham	Present
Vice Mayor Betts	Present
C Lester	Present
C Duby	Present
Mayor Newlands	Present
C Martin-Brown	Absent
C Prettyman	Absent – Arrived late (6:52 p.m.)

5. Agenda – Additions or Corrections

Mayor Newlands: Do we have a motion to approve the agenda as is?

Vice Mayor Betts: I'll make a motion to approve the agenda, as is.

C Lester: Second.

Mayor Newlands: We have a motion and a second to approve the agenda. Any further discussion? All in favor. Aye. Opposed. Motion is carried.

6. Minutes from July 12, 2010 Meeting

Mayor Newlands: Do we have a motion to approve the minutes?

C Duby: I have a couple of corrections that are just typos, but, one in particular, I think needs to be corrected. Page 4, we have Mayor Post saying we will now close the Public Participation. I don't believe he's there anymore. And on Page 22, when Mr. Lester was discussing the person he spoke to in the State who heads up the Farmer's Market, her name is Kelly, not Kevvy.

C Lester: Kelli.

C Duby: Anyway, no v's.

Mayor Newlands: Any other changes? Any other problems? Okay. Can we get a motion to approve the minutes?

C Duby: I'll move the minutes be approved as corrected.

C Lester: Second.

Mayor Newlands: We have a motion and a second. All in favor. Aye. Opposed. Motion is carried.

7. Written Reports

Mayor Newlands: Let's quickly go through the written reports. See if there are any issues that we have. I know in some of your packets there were 20 copies of one report made by accident. The Town Council Code Enforcer Report; so we apologize. You can turn the paper back in and we'll use it for scrap paper. They actually do that; oh it's double sided; oh well, sorry about that. In Town Hall single sided paper is used; it doesn't get thrown out, it's actually gets broken into quarters and is used for scrap paper.

C Duby: Good, the greener the better.

Mayor Newlands: We don't have to vote on these. Are there any questions or comments, does anybody have any comments for Alan or questions? Okay then let's just go on to the Town Manager's Report.

8. Town Manager's Report.

George Dickerson: Good evening Mayor and Council. It's my pleasure tonight to introduce first and give a report on the Rails to Trails mitigation with regard to Brownfield environmental. One of the founding partners of Ten Bears Environmental, who is located right here in Milton; I would like to call up now Kyle Lampron to speak to Council to tell you about the progress with Phase II and III of our Rails to Trails and our Brownfield mitigation.

Kyle Lampron, Ten Bears Environmental, 606 Federal Street: Thanks, George. We have completed a Brownfield investigation of Phases II and III of the Milton Rails to Trails Project; that is the railroad and right-of-way situated between Federal Street and Lavinia Street on the south side of town. The purpose of that investigation was to evaluate environmental site conditions to determine whether or not remediation is warranted in preparation of post-redevelopment. That was accomplished through a program in which soil and water samples were collected from the site and submitted for chemical analysis. The results of the investigation were relatively similar to what we saw in Phase I in that surface soils at some locations of the property contained substances called polycyclic aromatic hydrocarbons, PHs for short, at concentrations exceeding DNREC's screening levels. PH is the source, in fact is unknown at the property, but it likely is associated with the materials that were used in construction of the railroad. Historically industrial waste materials were used as a ballast material in the construction of railroad beds; pretty much due to their abundance and structural properties; but they do typically contain PHs at concentrations exceeding regulatory levels. So we took the data that was generated during the investigation and we completed our human health risk assessment using that data and what that found was that risks from potential direct contact exposure to PHs in surface soil are at acceptable levels for recreational use of the property. Because of that risk assessment, we're not recommending an act of remediation for the property. The recommended remediation is that an environmental covenant be implemented; restricting future use of the site to non-residential; maintaining its use as a recreational use as a trail. Where the project stands now; our Brownfield investigation is complete. Our report has been approved by the State. What they're doing now is they're going to publish a proposed plan of remedial action; describing what we did; what we found; and what we're recommending. That is advertised in the newspaper and then it goes to a 20-day public comment period where folks can see the proposed plan; what we found; what's recommended; provide their comments to the State. If the comments are minimal and can be addressed within that 20-day period; it goes to a final

plan and that's the final plan of remediation for the project. So that's where we stand now. I don't see us doing any additional work at the project site until construction.

Mayor Newlands: At construction you go in again and analyze the soil after the ties and railroad are taken up?

Kyle Lampron: What we would do at construction is pretty much soil management and health and safety; like I said we did detect some substances at levels exceeding screening levels; so we would be on site during construction while the contractors are moving existing soils to make sure that their workers are protected; the community is protected; as that is being done and also to ensure that the soils that they are disturbing are handled properly; they don't go off-site. If they do go off-site, they are acceptable to go off-site and end up at an acceptable place.

Mayor Newlands: Is there a recommendation to cap that area at any point for recreational use afterwards; after the ties are removed?

Kyle Lampron: There is no remedy; that is there is no physical remedy that is required for the property based on our investigation. I think as part of the redevelopment, I may be incorrect, but I think that will involve an asphalt cap; walking trail similar to Phase I.

Mayor Newlands: I think we were going to keep it at gravel, weren't we; or crush and run, or something?

George Dickerson: I don't think that has been determined yet.

Kyle Lampron: That's suitable too. The findings of our investigation have found that the site, as it exists today, is suitable for recreational use without any additional remediation.

Mayor Newlands: Thank you very much.

Kyle Lampron: My pleasure; are there any other questions? Thanks, George.

C Duby: I have a question either for you, George or for the Mayor in terms of the progress from here. Do we have any further grant funds for this?

George Dickerson: There is no funding. We can make application to Parks and Rec Division the same as when we got the Park Grant; where those monies would come from. We were already told there were no funds for this upcoming fiscal year and probably not even into 2012; but that doesn't mean that we can't keep asking and applying; which we will do. I can't think of the gentleman's name with Parks and Rec from the State that we deal with that gave us the \$150,000 for the upgrade to the Park; but basically it would come through there also. They told us that funds have pretty much dried up in that area.

Mayor Newlands: The land is still in the name of Conrail, I think it is?

George Dickerson: That is correct, yes.

Mayor Newlands: Is that in the process of getting turned over?

George Dickerson: That's like a two-year process; a very lengthy process; very complicated.

Mayor Newlands: Is that in the works?

George Dickerson: Yes.

Mayor Newlands: Thanks.

George Dickerson: The second quarter billing of utilities, which means water and trash, I've reported on went out last night. I can tell you as of today, we've collected against that figure \$92,444 to date. The Town Manager is responsible for the rough draft of the budget. There were copies of the document that we had leftover, but I wanted to draw everyone's attention to the website. Our website does have that document on there. I had a couple of questions from people who didn't know how to get to it. When you bring our website up, up at the top there's a department, click on the departments, finance and some other departments, click on

the finance department and when you click on that, the first document that you will that will come up will be that rough draft document for anyone that chooses to look at that through the Internet at our website. There is a copy back for the public as well as Council members should have of the document requested by the Mayor today of pie charts with regards to expenditures and revenues, and also the cover page shows the deficit. What we didn't have in that equation, and the Mayor and I talked today, was the trash amount that we plugged in; although Council will be reviewing it tonight, when CABA gives it's presentation of trash for all intents and purposes, we kind of plugged in, as close as we could to that figure, knowing that conversations we had with Seth we're going to have to take the lowest bid; and the lowest bid was the figure that we used to calculate that. With regard to the budget, Mr. Lester's committee, the Finance Committee, will be meeting on Wednesday, August 4th here at the Library at 2:00 p.m. and then Council will be holding a Workshop which will be held on August 9th at 6:30 p.m. here in the Library; and then the Public Hearing as required by Charter, with regard to the budget will be held on August 11th at 6:30 p.m. also here in the Library. All of those dates and times fit within from the time of my rough draft presentation with Charter guidelines which gives us a limited window to actually report those which is the fifteen days, and all that conforms with those dates. The deadline for the Code Enforcement Officer position, as advertised, per Mayor Newlands was last Friday, July 30th at noon. We received 38 applications and the hiring process for that will start as usual with regard to those applications. That's all I have.

Mayor Newlands: Thank you.

9. Public Works, Project Coordinator, Code and Police Reports

Mayor Newlands: The Chief is not here tonight, he just wanted to let everyone know that Wednesday is the Night Out Against Crime in the Park; before the concert. It starts at 5:30 p.m. and there's chicken, hamburgers and hot dogs and games and I think they told us if you were going to bring kids, make sure the kids have something they can get wet in, because they have a slip and slide or something there for the kids. Also, he's reminding me that we had 20 cars broken into in the general Milton area, unincorporated and incorporated area; they were not broken into locked cars; they were ALL unlocked cars; and laptops were taken; GPS units taken; so you have to lock your cars. He's reminding me it's not 1960 anymore; so lock your cars. Please note that C Prettyman has now joined us (6:52 p.m.). We don't have to vote on these other reports, so C Lester do you have anything on the Finance Report?

C Lester: Yes, Mayor and Council, just about ten days ago Edmunds Associates, the people that write the program that the Town operates their accounting system on; they took out a copy of our database and they were going to review it and look for whatever errors were there in the source and whatever problems they could determine. I asked for a report tonight so I could give Council an update and unfortunately their update was of very little use. They really didn't spend any time looking at the database at all; they offered us training, but how to overcome that problem; but didn't give us any solutions; but I did forward a request this afternoon to Kathleen O'Donnell at the State Auditors Office who is working with us on a possible RFP, that possibly we could find an independent accounting firm with experience in Edmunds Software, so we could resolve these problems quickly; so we can get Financial Statements. We need to get a year-end and we must begin producing statements pretty soon for the new fiscal year; but when I look at the statements there are so many errors in there it would take me forever to go through and look at the statements and find out where the

number of mispostings have originated. I hope very much to hear from State Auditors Office pretty soon.

Mayor Newlands: I didn't know if you were done, I wanted to just make comments. I had sent an email off to them after we spoke to them this afternoon, and Rich Evans called me back from Edmunds and told me that we have the latest version of software; and we're not taking advantage of a lot of features within the software. So apparently the software updates on a regular basis by itself and the last time it updated was July 20th and there is a reconciliation report in there that we're not taking advantage of; and there are a number of other features that are not turned on in the software that we need to get turned on. That will help us do some balancing and this was just at 4:30 this afternoon.

C Lester: That might be the root cause of all our problems.

Mayor Newlands: He will have a phone call with us and we can have a conference call with him to go over some of the features and reports and he'll do that free; that's part of their upgrade of the software; so we'll get something out of them for free.

C Duby: Well if they do that and things are updated and then they do training; does the training come free or do we pay for that as well.

Mayor Newlands: Right now he's offering to teach us what's new and what new reports are out there and some enhanced reports that we can get. He's doing that for free, that's part of their general service for upgrades. I think some of the other training he wants a substantial amount of money.

C Lester: \$125 an hour.

Mayor Newlands: There is web based training; so it depends on the level of training that we need; whether we can use the web based training or not. The web based training is free, right.

C Lester: Web based training is free, yes. You just go on line with the trainer and you both go through actual cases, actually working on the program.

C Duby: Because it seems like if things were turned on that we weren't using, because it wasn't turned on; and if the staff gets trained on how to do that; then we ought to be in much better shape then before.

C Lester: Well I would have assumed that using software Stephanie would have been trained or at least been in touch with them. They do have ongoing open houses where they have ongoing customer use programs; exchange of ideas, etc.; so they've been doing that for quite some time.

Mayor Newlands: We'll find out over the next couple of days what we're not getting and what we're not using properly in the software and what features have been added that we didn't know about.

C Lester: I would like to just reiterate what little cash we have is being watched; as I said last time. Thank you.

10. Old Business

- a. Tidewater Utilities representatives will provide an update of the sewer system

Bruce Patrick, Vice President of Engineering with Tidewater Environmental Services: Good evening Mayor and Council and members of the general public. With me tonight, I have a couple of my colleagues. Ed Rapsowicz, Vice President of Operations and Carol Murphy, Manager of Community Affairs and what I would like to do is first of all, thank

you for the opportunity to be here just to give everyone a brief update on the improvements that we've done since taking over the wastewater facility. We want to talk a little bit about the planning that we're doing to move forward and we'll also talk about the permitting process that we're in with DNREC; and I'll try ma'am to weave the questions that you had into the overall presentation. It's a rather brief presentation, 12 to 15 minutes; if I don't weave them in; if they slip my mind or whatever, I'm opened if you want to ask some questions to remind me or I can slip around afterwards or you can give me a call. I'll make myself very accessible, but I will try to weave them in so it covers them. This is just an introductory slide. As was mentioned, it's been a little over 3 years. We took ownership of the plant in July of 2007; this is Kyle Betts and Dave Weed, a couple of our main operators for the facility; they're very proud of it. We'll talk about some of the accomplishments and the improvements that we've made over that period. I'll talk about the first three items which were engineering related projects and Ed's going to talk about some of the other improvements that were performed at the plant, but some of the larger individual projects that we've addressed, a lot of these were in the Town's Reports, I guess or were recommendations from the Town Engineer, before we took over but we've built a new pumping station or replaced the existing one at Marshall Street. As you know there were problems with the pumps operating properly; the wet well and so forth. We did this about a year and a half ago; it cost \$75,000. Overall we spent about \$700,000, I should say, on improvements since we've taken over; and that includes the plant, the pumping stations, collection lines, manholes and so forth. This is one that cost about \$75,000. The Federal Street pump station had experienced several problems and in one of the reports that we prepared was a recommendation that we could eliminate that pumping station and actually install what I would call a gravity sort to bypass it to get it to another pumping station, in another section of the sewer; so that has been completed. That was a cost of \$360,000; so the Federal Street pumping station is no longer there; it's been properly abandoned, removed. That's been filled in. Chandler Street, we're actually in the process of installing a new generator; actually we poured the pad for the generator and the generator is set to be done, installed and completed by the end of August. That is a \$50,000 project; there have been numerous other improvements at the plant. I'll let Ed talk about that and then once he's done that, I'll come back and talk about the permitting process and the planning and try to get into some of the questions.

Ed Rapsowicz: Good evening. To go along with some of the plant upgrades, I'll just mention some of the major ones right now. The centrifuge we moved to a permanent location; built a structure around it; this way we could use it year round. We're dewatering the sludge; we're taking it to Blessings, where they're mixing it and using it as basically fertilizer and we're saving the cost of taking the liquid sludge at 11 cents a gallon and we're paying only \$45 a ton to take the dried sludge, which is a tremendous savings. We built all the sand filters; we installed new control panels to the air compressors; refurbished two units; we purchased an additional unit. In addition to that we've started replacing a lot of the electrical panels and we're also going to start pulling a lot of new wire through the conduit as the old wire is starting to just deteriorate completely. The old generator that was inside the building which is no longer in use, we put a new generator, on a new pad right outside the building, so in case of any type of outage, we're covered for the plant. We did put a sand barrier around the plant, so that if there's anything that does overflow anyway, we can contain it on the property and make

sure nothing gets into the river. We built a building to actually house our chemical pump and tank; and installed a new cover over the contact chamber. There's probably a dozen more things; and I don't want to take too much of your time, but those are the main things that we did at the plant. We also, in the distribution system, we actually installed 269 manholes bowls and this keeps the rainwater from getting into the system and taxing the system; keeping the water that you don't want to treat, out. So that's helped a lot. Right now we're in the process of identifying a certain number of manholes for complete rehabilitation. We're going to actually go in there; there's a process to actually line them and keep the water from coming in that way, the groundwater from coming in. This is a slide of the Marshall Street pump station; that was a pump station that was in bad shape and there was a concern about it overflowing and going down into the lake. So that was built and replaced. That's the centrifuge unit inside the building that we covered up and we put the lighting in there and the electric heaters and we run that all year round. That's the new generator we installed. Just to give you some operating results. Our average flow over the past six months has been 164,000 gallons per day; over average BOD is 11.71 mg per liter, and our average total solids are 7.17 mg per liter. Our permit requirements are 15 and 15; so you can see we quite comfortably meet all our permit requirements for that. You can't read it, but we just recently had a DNREC inspection and DNREC doesn't normally write you a letter afterwards praising you on the inspection; but they did this time, so we were very, very happy with that. That were quite impressed with the plant and the strides we've made in both in our upkeep and also in our processes. And there's our team and that is Patrick Shannon, Kyle Betts, Dave Weed and Tommy Hairhold who is the Division Manager and Rick Garloff, he's our Pumpkin Chunkin'. You may have seen him in the Pumpkin Chunkin'. Now I'm going to turn it back over to Bruce.

Bruce Patrick: Thank you Ed. Our permit that we had when we took over the facility actually expired December 31, 2009. The process is we have remitted for a new permit; you have to submit 6 months prior to the expiration date. Unfortunately, DNREC is a little bit backlogged; they have several in the stack. We have been in communication with them and they said we will have a new permit issued in about 12 months from now; it was about 18 months from the beginning of it. What they've told us is that it is about an 18 month process; what they've told us is that the TMDLs have been done on the Broadkill River, the Water Shed, we are allowed to maintain our discharge into the river; there are TMDL parameters that we'll have a schedule to meet; our total nitrogen requirements, total phosphorus requirements and bacteria requirements that the existing plant did not have to meet; it wasn't part of the permit, but the will be part of the new permit. Once they issue the permit, we'll be given an additional approximately three years to actually meet those requirements; if any changes are needed to meet those requirements. So essentially, the answer to the one question is that we are allowed to remain in the river; there's no point in the foreseeable future, as long as we meet the TMDLs that we would have to come out of the river. With that said, I'll talk a little bit in a minute about an ongoing study that we're doing looking about different alternatives. I talked about the renewal, talked about the new limits, I'll move right into the next slide which is the really the ongoing study for our capital program. What we're doing essentially is we have a study that we're doing in house, with our engineers on staff, and right now, thus far, we believe that we're pretty good, actually; we're going to be able to

meet the existing TMDL parameters with the existing flows that we have. We have to monitor for DNREC for different 30 day periods and so forth. We're actually doing a whole lot more monitoring. We're actually monitoring several things on a daily basis so we can get a good handle on how things fluctuate and we're going to look and see; okay we're okay at the 160,000 gallons per day that Ed mentioned; how do we look at 200,000 gallons per day; how do we look at 250,000; how do we look at 300,000? And we're going to put together a plan and part of it will dovetail into the requirements that you mentioned ma'am; you know the additional customers to move forward with the new plant and it could end up being that this may or may not actually drive the new plant ahead of the customer count, if necessary; but we're looking at all alternatives, and in fact what we're doing in addition to that is we're looking at what's best for the environment, for Tidewater, for the customers, so although we're allowed to stay in the river and we believe that we'll be able to meet those requirements; and that is probably going to be the best overall alternative, we're still going to look at all the other alternatives that we have out there, such as spray irrigation, land application and so forth. That's where we are at now. The customer base, this is not an exact number, but I think we're pretty close. I don't know if George or someone could pitch in on this just to correct me; but when we took over there were 1,144 and there's probably between 1,300 and 1,400 at this point. So the way the plant is operating right now, it is operating very well; we're meeting the BOD, the TSS consistently doing well; the DNREC inspection went well; the initial glance at the total nitrogen if the permit were implemented today, the new permit, we would meet the total nitrogen and the total phosphorus requirements, so we feel pretty good about that; but with that said we are looking each step of the way to try and figure out what do we need to do. DNREC's very happy now; we want to keep DNREC very happy. I'm trying to remember your questions. The new plant, the river, as the Mayor mentioned the land is out of our control, I guess at this point.

Mayor Newlands: One quick question and you have to go to the mic.

Lynn Ekelund: Actually, when I'm talking about the river, I knew that the permit had expired at the end of 2009. If you get a new permit, regardless of whether of whether the requirements are more stringent, is there any kind of an expiration date on that new permit? Is there a finite time that the State is going to tell you out of the river?

Bruce Patrick: Yes ma'am, actually there's a finite time, not as far as being out of the river; but there's a finite time on all operating permits; that includes plant treatment, spray irrigation permits, river discharge permits; you get a five year period for each operating permit and then they issue another operating permit at that time period. What we've been told now that TMDLs, which they are doing on all the water sheds throughout the State determining the limits, such that the water bodies will not be impaired, essentially, they have actually implemented them; the total nitrogen of X pounds per day; total phosphorus of X pounds per day; may be discharged, I hate to say indefinitely, because things always change, but at this time there is nothing in the foreseeable future provided we meet the TMDL limits; which we're able to do now. Of course, when we took over I think it was George Miles and Buhr that had designed a conceptual plan essentially that would allow the Town, essentially, at that point to do it well into the future; up to a flow of about 1.45 million gallons per day that they felt comfortable that the Town would be able to continue to discharge; so that's essentially 10-fold or 9-fold what you're discharging today. It appears that we have a good long

future that we can discharge; however, with that said we are looking at all the alternatives. We just want to make sure that we're doing the best, essentially. We have a tour August 23rd at 2:00 p.m., Gov. Markell and the Delaware Economic Development Office Director, Alan Levine, are going to be taking a tour of our facility; we would like to open that tour to members of the public, to Mayor and Council. We're actually very proud of the facility; so this is just a day if you want to come in and take a look at things, we would be very happy to give you a tour and it's just to commemorate our three year anniversary; kind of show you what we've done at the facility and answer any questions afterwards. Everyone is invited to join us back at world famous Dogfish Head at the Brewery. We're going to have a staff meeting and we can answer any questions. With that said, I know that was short and brief. I would be glad to answer questions; I would be glad to received phone calls at any time.

George Dickerson: I'm the Town Manager of Milton. The upgrades that Tidewater has made, which are enviable and congratulations on those upgrades and for the plant to be operating as efficiently as it is; I believe at a meeting that we were at, we were concerned with the number of homes that could come on line; new homes now; that the plant could handle. Could you speak to rough numbers as to what you see with the upgrades that you've made, what capacity for additional new homes could that plant handle?

Bruce Patrick: Absolutely. That's a good question; I would be able to give a concrete answer, because that's part of our ongoing study that were working on with our in-house engineers; today we're absolutely fine; it appears that we're fine for another 50,000, 60,000, 70,000 gallons per day, which is a lot of homes essentially. That could be another 200-300 homes easily. At that point we believe what the study is going to show, and I hate to say this because the study is not complete, that there are additional things that we can look at that will actually help us go another step; another 100,000 gallons per day; such as adding additional filtration, whether it's a set of membranes; or whether it's additional sand filters, so on. We're looking at all the increments; we're fine for several years and we're just trying to pick the best path forward. It's hard to project over five years. Right now what we're focusing on is the five-year period, so we're looking at this study to help plan our five-year capital program and we appear to be okay for several years, but we're also trying to look long term that would address those types of concerns that Mr. Dickerson raised essentially; what do we need to get 500 and 1,000; not just 200 and 400. I hope that answered your question; that's not a concrete answer; but the concrete answer I can tell you; we're okay at this flow and it looks like we're going to be okay for several hundred more.

Mayor Newlands: And when those numbers of home are there, you have a two year window or something like that, to build your plant. I think that was a concern, how far out do you need to know? You guys know based on your estimates and your charts.

Bruce Patrick: We're going to be tracking this thing the whole way. It could very well change. The original concept for the new plant was an 800,000 gallon per day IMCO that GMB had the conceptual design prepared on; that was designed at a time when it looked like we would be increasing flow in a major way. We're not only looking at changes at all alternatives; we're looking at different treatment technologies, as well. So it could be that we end up with the 800,000 gallon per day IMCO plant; or it may be that we end up staging two 400,000 gallon per day facilities; built in parallel over time; so we're looking at that, but we're going to be tracking it real close, I guess, Mr. Mayor to answer your

question. I apologize, I didn't have the exact answer to the number of new questions; but I do know that we're between 1,300 and 1,400 as we approach it; were certainly going to be looking at it and it could be that our study, if it comes back and dictates we need to do something before that, we're going to do it; we're going to do the right thing.

Mayor Newlands: 1,300 homes is about every sub-division we have in Town being fully billed out.

Bruce Patrick: You mean 1,300 additional homes?

Mayor Newlands: Right now we have 1,300 available building lots in the sub-divisions right now. Is that including them, plus another 1,300 or is that including 1,300.

Bruce Patrick: No there are currently between 1,300 and 1,400 existing users, so if I understand you correctly, we could almost serve the remaining folks in town, under that scenario.

Mayor Newlands: Now one question that Ms. Ekelund forgot, what about sewer rates?

Bruce Patrick: The sewer rates actually and I'm going on memory, but I remember when we signed the contract, they were frozen for a five-year period and we're three years into it; I think after the five-year period we're allowed to increase them, don't quote me on this \$12.50 a quarter, so about \$50 a year; and I think that's frozen for an additional, five-year, if I'm not mistaken.

Mayor Newlands: Is that \$12.50 five years? Or is it one year?

Bruce Patrick: I would have to look. We're actually frozen for at least two more years; and there's some limitation thereafter. As Mr. Dickerson pointed out they are all Public Service Commission approved rates, so we have to justify to get the approval to raise the rate.

Mayor Newlands: Does Council have any other questions?

C Lester: Just one. Has the PSC ever turned down a rate increase?

Bruce Patrick: It appears that almost every time we go there, we do not get quite what we want. They'll look at it and say, are you sure the electric bill is going to be quite that much; are you sure you need to spend that many hours? We typically do not get what we request and in fact, it was prior to my telling; I've been with Tidewater for about 9 years; about 10 years ago Tidewater was turned down for a rate increase; in fact, I think it went the opposite way.

C Lester: Thank you.

Mayor Newlands: Thank you very much.

Unidentified Speaker: Do you have any time line at all about when you intend to start construction on that plant?

Bruce Patrick: There is not a definitive time line, I guess, as we mentioned we talked about the additional number of customers approaching 1,500 to make it the financially feasible aspect of it. Then certainly we've got the permitting side of it that we absolutely have to take into account. So there are a lot of variables; the building; to make it economic; what DNREC is going to make us do to meet the TMDLs; I should say what we have to do to make the TMDLs; and a lot of that will be flushed out in this study that we're performing, so it's difficult. I can't say if it will be three years or four years or five years; but if we watch things, we should be able to get you better estimates from year to year as we see things shaping up; as we get the study completed; as we see the number of connections; and so forth.

Unidentified Speaker: How many perspective customers will you have to have before you build it?

Bruce Patrick: That's part of the equation. The second part of the equation is, as we do the study at the existing facility, if there needs to be improvements that it is more economical and better to do the long term solution at a new facility vs. something that may take us a few years down the road; we'll look at all that and we want to do essentially what's best for everyone. What I can say is that it's not within the next couple of years anyway at this point, because the existing plant is doing very well. It appears that we're going to meet the new permit requirements without any trouble at this point. When the flow starts to increase; that's when we really have to take a close look at it.

Unidentified Speaker: I remember asking, and it must be at least two years ago...

Mayor Newlands: That's a philosophical discussion that we're going to have to end at this point.

Bruce Patrick: Okay.

Mayor Newlands: I don't want to have too many discussions going on at one time. Thank you.

- b. Discussion and possible vote on the Modification of the Design Build of sidewalk and driveway intersections within Wagamons West Shore development

Seth Thompson: Since the Mayor is recusing himself from the next one, I guess I'll introduce the topic. Basically what we have here is a development under the old regulations, and the old regulations seem to come with them some walkability issues.

C DUBY: Could you just clarify what "old regulations" you're talking about, for context purposes?

Seth Thompson: Under our "old" designs for sidewalks and streets, basically there has been a collaborative effort on the part of the Town, the Town Manager, the developers, the Town's engineers, the developer's engineers to come up with some solution to fix the walkability issues currently; and really what this does is change the standard going forward for whatever builder comes in to place something on the empty lots. So they're going to be bound by this standard, assuming it passes, in order to ensure some continuity in terms of how the sidewalks are being dealt with as the lots are built out in that development. So, again, it really improves upon the "old" regulations in terms of what sidewalks would be acceptable and were approved previously. It's really a fairly limited issue here tonight in terms of where the sidewalks and driveways intersect. So looking at your packet, you can see, as well as the picture, there's going to be more of a ramp. The curbing will remain in place, but there's going to be more of a ramp, more of a gradual slope towards the back side of the sidewalk, so you don't have as much up and down. The developer is here tonight, so I'm sure they can correct me on this, they are going to be fixing a good portion of them as well, as the reason to change the approved design is so that going forward any developer has to make them in conjunction with that; so that you have that gradual slope, as well as some uniformity of appearance throughout. Actually I believe C.A.B.E., the Town Engineer was the one that drew up this particular design. Their attorneys, as well as the developers are here. Scott, I guess you can go through the engineering elemental, a lot better than that.

Scott Hoffman: Basically, the problem with the existing driveways and sidewalks was that on each side of the driveway there is a ramp that slopes down from the sidewalk to

get to the driveway; and those ramps were too steep. That's the whole thing in a nutshell. The problem is, in order to fix all that, you have to remove the entire curb for whatever length of sidewalk and you need to remove all that sidewalk, in order to properly build the ramp the way it should have been built. So the compromise solution that was put together by Mr. Kerr, who is my boss, Bob, was to come up with a design which Council should have in front of them, where the curb would stay in place, and they would remove the sidewalk and construct a three foot wide ramp and then kind of taper the rest of the sidewalk to meet that three foot wide ramp. The three feet wide requirement comes from the ADA requirements, because that ramp has to be three feet wide in order to let a handicapped person; that's the minimum ADA requirement for passage for any sidewalk. So that is kind of a summary of what it is, I believe, that Council is acting on tonight.

Seth Thompson: Scott am I correct that if the Town Council then accepts this amendment, that going forward that that's what is going to have to be built on the lots that haven't been built yet.

Scott Hoffman: Since there have been more recent sub-divisions, the standards have already changed; as you know the Town references DelDOT standards; and those, I believe, are in the current standards. So these requirements will already be part of anything new that came to the Town for approval. What you are looking at tonight is, to try to come up with a repair that doesn't require removal of the entire curb and, in essence, when you remove the curb then you have to remove part of the street because it is right next to the curb. The idea is to try to come up with some kind of fix, which is going to meet the needs of walkability and something which will be affordable to repair.

C Prettyman: Excuse me, Scott. On the drawing that I got, I'm a little confused. Where the yellow line is, is that where you're going to start; because I don't see the driveway. See you have this back here, but is this the driveway? I'm just confused.

Scott Hoffman: The question from C Prettyman was exactly what are we looking at on this photograph and it's probably hard for everybody to see this; but the driveway is this part and this little section here that you would see between the old sidewalk and the driveway is the repaired section. This is a piece that has already been replaced according to the design that Mr. Kerr came up with. So you could see that they would have had to rip out all of this curbing and this part of the road, in order to make this ramp accessible. This just allows it to happen without having to destroy all that.

C Prettyman: So this section of the sidewalk, this here is will have nothing done to it. You're going to start from here and go down.

Scott Hoffman: This was all replaced; what they're going to do is primarily fix this area. This is a three foot wide area; so that anyone in a wheelchair can come up this way. And this is the transition area.

C Duby: Scott do we know that this will work for wheelchairs; it seems to me and I understand walkability was an issue; but it seems to me it would also be an issue in terms of wheelchairs, if someone were coming down the sidewalk in a wheelchair; now that you've done the ramp; from curb to the other side of the sidewalk, the ramp is uneven; it's steeper at the curb level.

Scott Hoffman: That's correct.

C Duby: Then it is later, if you're going across that in a wheelchair, do we know that it works, that you're not going to tilt the wheelchair so much that it would be a problem?

Scott Hoffman: That transition area, I cannot say, that it's going to meet ADA requirements at every location. The three foot wide section is what is meant to meet ADA requirements.

C Prettyman: Well wouldn't it have to meet ADA requirements?

C Duby: It seems to me that if it doesn't meet ADA requirements, we're in trouble. So we should try to do that.

Scott Hoffman: No you only need to have a three foot area for the passability.

C Duby: But if that three foot wide area goes like this and somebody is in a wheelchair, so that one wheel is here and one wheel is down here, my guess is we might be subject to a lawsuit if somebody falls over in their wheelchair and gets hurt.

Scott Hoffman: The intent is that the three feet wide allows the wheelchair access, not the remaining two feet. You have to have the three foot wide for a wheelchair.

C Duby: So in other words you would have to know to keep your wheelchair up from the curb to avoid getting hurt.

Scott Hoffman: That's correct.

C Duby: Which may or may not happen?

Scott Hoffman: Yes.

C Duby: My understanding is I felt like the back up we had in our folder didn't give us much information; it was just the design. I was not clear on what we're approving tonight. You're saying that DelDOT requirements take care of anything new from here on.

Scott Hoffman: Yes because the standards are using the DelDOT standards.

C Duby: So we're just being asked to approve this design for the remaining work that needs to be done in Wagamons. Is that right?

Scott Hoffman: I guess. I was asked to come to the meeting and I didn't know this was going to be on the agenda until tonight. I'm doing the best I can here.

Seth Thompson: Part of the problem is that that development pre-dates those requirements; so this certainly brings us much closer in terms of meeting it. Council, this is John Tracy.

John Tracy, the attorney for Milton Properties, LLC, which is the developer: This issue was brought to our attention as part of the overall concerns with walkability. One of the major concerns was the curb ramps, which are not part of those discussions. Those are already being replaced or have been replaced to a level beyond which the approved plan, which was approved back in early 2004 required. The issue with the driveway ramps, that transition between the driveway and the top of the curb, is we're trying to retrofit a plan that was approved in 2004; which has largely been constructed. In fact, all of the sidewalks, or almost all of the sidewalks, in the community have been constructed and we worked with Seth's office, with the Town, with Mr. Dickerson and with CABA to come up with ways for us to be able to address the Town's concerns when we're going back and making repairs to the sidewalks. This resolution put forward by the Town is a way to do that in a manner that addresses walkability issues; but doesn't require a redesign of the whole sidewalk system, which creates all sorts of other problems, given the 2004 approval. We're actually going to be going back and replacing a large number of the driveway ramps on, I think, almost all of the lots on which houses have already been constructed; so we'll be doing that work in the short term; and the remaining ones will be addressed as those are developed with lots; the home builder will make the repair to the

slopes from the driveway to the sidewalk; in that instance. So this is really trying to retrofit something beyond what the requirements were of the plan that we're building to something more, for lack of a better word, intense, in terms of dealing with this issue. We looked at it; it works from our perspective; we can do the work that the town is asking us to do on those 105 or whatever the number of lots are that we're actually going back and replacing within the sub-division and then the rest can be done as the houses are being built; again within that same stretch area.

C Duby: Again, I'm still having a little trouble with the context here. We're being asked to approve this design and if we approve that tonight, this is the design which you will use when you make those changes.

John Tracy: Correct.

C Duby: If we do not approve this, what will you do?

John Tracy: We end up doing it according to the plan; which doesn't solve anybody's concerns with regard to walkability because you have steeper slopes and shorter distances. This is actually spreading the slope out over a greater distance, which flattens it. The current plan had this transition happening in like a three foot area, so it was very steep and then you had individual home builders, not my client, building houses and they set their houses at different levels, which caused the sidewalk to go up. So this is a retrofit in extending that slope out, so it flattens it in that three foot wide ADA strip that is what you guys were looking for from a walkability standpoint. Again, it is retrofitting something that was approved 6 years ago.

Vice Mayor Betts: It brings us up to date more now. We had approved it anyway and they may not have had to fix it anyway, so they are bringing it up to date.

John Tracy: We're making it better than what the plan requires it to do and I think it is certainly closer to up to date.

Vice Mayor Betts: It may not be completely, but it's closer than what's required now.

John Tracy: And the curb ramps, which are separate, they were replaced to the higher standards, because we had to take the curbs out as part of that repair, so you actually got far more, if not totally compliant curb ramps, because we had to make that fix in the whole area and the curbs had to come out as part of that anyway.

C Duby: Scott, the curb portion of this, the higher portion before it begins to taper off going toward the driveway, if that were to be done at the same level, so you didn't really have that taper, that involves taking out a whole other section of curb; is basically what you're trying to avoid doing.

Scott Hoffman: Right you have to take out the curb and that would also necessitate repairing part of the road; because in order to take out the curb, you have to take out part of the road also.

C Duby: Okay.

Scott Hoffman: I believe Bob was asked to try to come up with something which would allow you to have the three foot wide slope that would be acceptable and not have to go through the expense of repairing all the curbs and streets. They are trying to get the streets paved and we would be putting off all of that even longer if repairing the curb is necessary.

C Duby: It seems to me to fall in the category of damned if we do and damned if we don't; possibly different degrees of damning.

John Tracy: I prefer to say that this work is getting it a lot closer to where you want it, then were we to do it according to the plan.

C Duby: And I agree with you there.

John Tracy: It's a lesser damning.

C Duby: A lesser damning. It seems to me that it still has some issues for us.

Scott Hoffman: Generally speaking there are no perfect solutions to any problem; this is the best we could come up with.

Seth Thompson: Does Council have any other questions?

C Prettyman: Then I would like to make a motion that we go ahead with what Bob Kerr and our associates have come up with to fix the sidewalks and make them safe.

Vice Mayor Betts: I'll second the motion to amend the Design Build.

Seth Thompson: Please do a roll call.

C Lester I too am a resident of Wagamons, so I will abstain.

C Duby If I abstain, that takes away the quorum. I'll vote Aye.

C Abraham Aye

Vice Mayor Betts Aye

C Prettyman Aye

Seth Thompson: Motion carries 4 to 0.

14. New Business

- a. Milton Cemetery Improvement Co. is requesting a waiver of the building permit fees for the installation of new fencing around the cemetery located at 201 Chestnut Street further identified as Sussex County Tax Map 2-35-20.08-22.00

Mayor Newlands: Who is here for that? Did the fence have to go through the Historic Preservation?

Robin Davis: No, because they are replacing it with the same type of materials. It's metal and they are replacing it with metal.

Mayor Newlands: What about the design?

Robin Davis: It's basically the same look; it's as close as they could get. From what they were explaining to me; that type of fencing is no longer available anymore; but it was as close as they could get.

Mayor Newlands: Mr. Hughes, do you have any comments?

Dennis J. Hughes, 403 Mainsail: No basically, I grew up next to the cemetery and that fence has been there a lot longer than I have been alive and if you have ever paid close attention to it, it's in much need of repair, so we're just looking to replace the fence. It can't be the exact type of materials that's there now, but we are going with a black metal fence and it will be more esthetically pleasing then what is there now. Not quite as historical as the previous fence, but that one is pretty much falling apart in quite a few places. There are some coat hangers that are actually being used to hold part of the fence together today; so this is a project we've been working on for several years and now we're ready to go ahead and do it and it will be an improvement to the area, for the town and for the cemetery. We haven't heard any complaints from the residents of the cemetery.

C Duby: Are you listening for them?

Dennis J. Hughes: Well Mom and Dad live there now; I don't live next to the cemetery now.

Vice Mayor Betts: DJ you're asking for a waiver of the building permit fees?

Dennis J. Hughes: Yes, we're asking for a waiver of the building permit fee; we're not a for profit organization.

Vice Mayor Betts: It's a non-profit.

Dennis J. Hughes: Yes, it's committee members, Ray Burton is the President of the Committee, Russ McCabe is also on it, Dr. White, George Short and there are other members throughout town that are on the committee too.

Mayor Newlands: Ms. Betts, they are looking for a waiver on the fee, not the permit. They still have to get the permit.

Vice Mayor Betts: I thought it was just the fee.

Mayor Newlands: Yes, the fee, they still have to get the permit.

C Prettyman: I would like to go ahead and make a motion to give them the waiver on the building permit fee.

Vice Mayor Betts and C Duby: Second.

Mayor Newlands: We have a motion and multiple seconds; all in favor, opposed. Motion is carried. That fence is \$50,000?

Dennis J. Hughes: Yes, that's why it's taken awhile. I think I got on the Committee three years ago and we got a price of like \$85,000 or something like that.

C Duby: And prices are going down?

Dennis J. Hughes: Well we had to downgrade our selection a little too. If anybody's got a little money sitting around, we're more than willing to accept donations.

Mayor Newlands: You're in the wrong room for that.

b. Award of Trash Removal Contract – CABA Associates

Mayor Newlands: Just to let Council know that Middle Shore Environmental Services is M&T Trash, I didn't at first.

C Duby: If you read through it says d/b/a as M&T Trash.

Scott Hoffman: On July 22nd we opened bids at the Town Hall for the one year residential waste collection contract and there were five bidders. The low bid was M&T Trash, by whatever other name they are known as, at \$14.89 per unit, per year; and the next highest bid was Waste Management at \$14.97 per unit, per year. We reviewed the bidding documents and I believe we forwarded Mayor and Council a recommendation to award to M&T Trash. So that is all I have regarding that.

Mayor Newlands: We just need a motion to accept the recommendation.

C Prettyman: So moved.

C Duby: Second.

Mayor Newlands: We have a motion and a second. Any further discussion?

C Lester: I just have a question. Does this include the new regulations for disposal of household waste, etc.?

Mayor Newlands: Do you mean recycling?

C Lester: Recycling?

Mayor Newlands: This is a one year contract, just to let everyone know; recycling doesn't come into play until September of 2011. And, Scott, if you could correct me; yard waste is that January or September of next year? I keep getting conflicting answers.

Scott Hoffman: This is the explanation with the yard waste; in January of next year the operating permit for the landfill says that they can't take yard waste anymore. Now they haven't decided what is supposed to happen with the yard waste yet. So there may be some period into next year when they are still going to allow people to take yard waste as they get the yard waste program going; for example, in Newcastle County, they have a yard waste program kind of like the recycling program; and they have that to some extent down here also; so it may be January or it maybe further into next year; but at some point yard waste will be eliminated because the landfill cannot take it any longer.

C Prettyman: Scott could you clear up for me, what is yard waste?

Scott Hoffman: Yard waste is leaves, grass clippings, branches from trees, anything like that.

Mayor Newlands: That's the reason we left this as a one year contract, because there are still some things that are in flux and being discussed, even recycling is still up in the air as far as what that bottle deposit is going to be.

C Duby: So is the plan that we do this for a year; and then at the end of the year we've got to do something about recycling. But I assume we have or do you or should we discuss the possibility of putting together a committee or something that's going to decide what we're going to do with recycling or are we going to be waiting for a proposal from our trash pick up?

Mayor Newlands: We're going to be told what to do by the State; I think that's what is going to happen.

C Duby: My understanding is that the State has said we have to be responsible for it; that's what we've been told.

Mayor Newlands: They say you have to provide it.

C Duby: The issue is how we do it is up to us.

Mayor Newlands: They say you have to provide it and some of the towns are saying provide means giving everybody in town a trash bin and whether they use it or not is their prerogative and charge them for it; and others are saying, like myself, if you want to provide it, or go to the trash company and say we'll tell you who wants to avail themselves of the service and you charge those people and it may be 20% of the town; so there's a difference of opinion amongst all the different towns.

C Duby: I understand that, but we've got to make a decision as a town about how we're going to handle it within the next year. Are we going to establish a committee to do that or do you have something in mind in terms of how we're going to proceed?

Mayor Newlands: Not initially only because this may get challenged in court, so I didn't want to waste anybody's time on this in case this is going to get challenged in court, shortly. If it is not challenged by let's say December, then yes, we should have a committee.

C Prettyman: Couldn't we have a committee and kind of check and see what other communities are doing so that we will; time is flying and I think we need to get something in place or have some idea where we're going to go next year; and if we could have just an ad hoc committee or something to look into seeing what other townships are doing and what we can do to help the people here in this community.

Mayor Newlands: Well, Mr. Lester and I go to the Sussex County Associations of Towns on a monthly basis and the Delaware League of Local Governments and we through those organizations get feedback what the other towns and municipalities are doing; so we're keeping abreast on that. And we're getting emails as far as any legislation that changes in that respect. I don't want to start anything too early, while there may be some legal aspects of this going on that we have no control over. We have a motion and a second. We have to award the contract. All in favor. Opposed. Motion is carried.

c. Presentation of Fiscal Year 2011 Budget Presentation

Mayor Newlands: Mr. Dickerson.

George Dickerson: As many of you know as with previous years, this particular year's format there was a document on the back table, I don't know how many of you were able to pick that up; it's a three page document. The front cover looks like this; it gives the down and dirty, if you will of the finances right now; the proposed rough draft budget; what the expenses, the revenues are with a net deficit. What you have is a pie chart for both expenses and revenues, as I was directed by the Mayor to present tonight this document. With Mayor Newlands implementing the Finance Committee being an integral part now of the budget process and them holding their committee meetings, and Council holding another workshop, the presentation that was made if any of you had attended the workshop previously to this document having been created, there's a lot of work to be done that Council has to work on to do that. If anyone has any questions about any of these sections, or that, I would be happy to answer them; but this is the document that the Mayor directed to be passed out tonight.

Mayor Newlands: With a \$470,000 deficit right now, we did not want to go through each individual line item of the budget. There's probably 150 line items in the budget; which we went through for four hours on Tuesday night; which we'll do again next Monday night and Mr. Lester and his Finance Committee will be going through that this Wednesday; and staff and I will be going through this during the week; so it will have enough iterations going through this document to not bore the public with this tonight. It is very long and lengthy, so we wanted to give an abbreviated version tonight. If anybody has any questions, you all have my email address, you have my phone number; as Mr. Dickerson said, there are spreadsheets on the back table and if anybody needs them and it is on the website.

George Dickerson: It is on the website and I previously stated how to get to that.

Mayor Newlands: Mr. Lester's meeting is open to the public; it does not have public participation. Next Wednesday, August 11th, we do have the Public Hearing where you can come and make comments.

C Prettyman: What time is that meeting on the 11th?

Mayor Newlands: It should be 6:30 p.m. It hasn't been announced yet, but it should be 6:30. Thank you.

d. Discussion on Annexation Fees and payment plans

Mayor Newlands: These are the minutes from the one section of the meeting in February, 2006 where the Annexation Impact Fee was discussed. I keep getting reminded if certain comments are not made within the motion itself, those comments are not valid, so I just wanted to go through here what Mr. Willard had proposed back in 2006 and that was "65% for sewer; 10% for water; 5% for police; 5% for parks; 10% for sidewalks and streets; and 5% for Town Hall; and that this was an \$8,000 annexation fee and it would be split amongst those areas." The motion that came up was "that they would impose an annexation fee, impact fee of \$8,000 per acre". I don't know how they work together. I'll talk to the lawyers afterwards and find out. The reason I'm bringing this up is because we've been approached by a number of developers who've asked that the annexation fee be cut in half for future annexations; because of this notation. Some of these developers were at the 2006 meeting and remember these figures; they actually showed me these figures before I got them off the website. So this is just for information for now; something to think about. There are a number of developers in the area who want to come in, but they want two things. One they don't want to have to pay for a sewer plant that they're going to have to pay for somewhere else, because they're going to have to pay Tidewater for that; and two they would like payment plans; they would like to be able to pay annexation fees based on the phases that they develop, as opposed to paying the entire thing up front and that just helps them with their finances; and that just helps them get along with their building.

C Duby: What do you mean they don't want to pay for a sewer plant that they're going to have to pay for somewhere else?

Mayor Newlands: Well they have to pay Tidewater for the treatment plant. They want to have to pay Town; because we're not going to give that money to Tidewater. So they still have other Impact Fees.

C Duby: So this was pre-Tidewater that's the issue.

Mayor Newlands: Yes, it was 2006.

C Duby: Yes, I know that.

Mayor Newlands: So they're saying that you had built in here a fee for sewer and you no longer own a sewer treatment plant, so they don't want to have to pay for that a second time is what they're saying. Now paying over a period of time, they would like that that would ease their cash flow. This has been mentioned by a couple of developers. I know I'm getting some looks

C Prettyman: We had a discussion back in 2006 and I feel that we really need to look at it, because at that time it was the same thing; looking at it and finding out where and why; but it was approved.

C Duby: Could we get some figures as to how an \$8,000 per acre annexation fee is divvied up now; if we're not paying Tidewater? Because I assume these figures are no longer accurate.

Mayor Newlands: I'm going to call on Mr. Davis, because he probably has a few of these figures in the back of his head.

C Duby: Maybe not tonight, I mean we're not going to vote on this.

Mayor Newlands: I'm just going to ask; we've had no sub-division annexation fees, is that correct? We've only had individual homes annex into town, so I want to bring that to Council's attention. There have only been individual homes annexing into town as their septic systems may have failed and they did that for sewer issues.

C Duby: I know about those.

Mayor Newlands: And that's pro-rated by the size of the lot, so we've had nobody pay the \$8,000 per acre and no sub-division being subject to that.

C Duby: But we have a couple of bills that haven't been paid, right? Aren't there annexation fees owed on the White property?

Mayor Newlands: The White property is back to farming right now and Key Ventures...

C Duby: But it still has been approved for annexation, so the bill is out there until...

Mayor Newlands: The same with Key Ventures.

C Duby: So this \$8,000 per acre annexation fee that would be split within those areas, I would just like to know before we discuss this and take a vote on it, how it would be split now; given our present circumstances with the sewer not in it and things like that.

Mayor Newlands: Mr. Prettyman do you remember who did the study on this to get this breakdown?

C Prettyman: Bob Kerr's office.

C Abraham: I think it was just in general thrown out there who wanted to slice the pie differently; we could have at the time.

Vice Mayor Betts: It was Bob Kerr, I'm pretty sure.

Mayor Newlands: I'll talk to him; I haven't spoken to him on this item at all. Okay this was just a discussion, anything else on the item? Okay great.

15. Executive Session: Discussion Personnel Issues and Potential Litigation

Mayor Newlands: We need a motion to go into Executive Session.

C Prettyman: So moved.

C Abraham: Second.

Mayor Newlands: We have a motion and a second. All in favor, opposed. Motion is carried.

C Duby: I move we come out of Executive Session and into General Session.

C Abraham: Second.

Mayor Newlands: We have a motion and a second to come out of Executive Session. All in favor, opposed. Motion is carried.

C Duby: As discussed in Executive Session, I move that we lift the hiring freeze for purposes of hiring a Code Enforcer and Patrol Officer.

C Lester: I second the motion.

Mayor Newlands: We have a motion and a second. All in favor, opposed. Motion is carried.

16. Adjournment

C Duby: I move we adjourn.

C Lester: Second.

Mayor Newlands: We have a motion and a second. All in favor, opposed. Meeting is adjourned at 8:50 p.m. Thank you very much.

Recording Secretary: Helene Rodgville